



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/995,955	11/28/2001	Thomas G. Siska	4361 P 003	1158
66228 7590 06/20/2007 SCHWARTZ COOPER CHARTERED IP DEPARTMENT 180 NORTH LASALLE STREET SUITE 2700 CHICAGO, IL 60601			EXAMINER NGUYEN, NGA B	
			ART UNIT 3692	PAPER NUMBER
			MAIL DATE 06/20/2007	DELIVERY MODE PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary

Application No.

09/995,955

Applicant(s)

SISKA, THOMAS G.

Examiner

Nga B. Nguyen

Art Unit

3692

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 28 November 2001.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-64 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-64 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date 2/19/03.
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____.
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: _____.

DETAILED ACTION

1. This Office Action is the answer to the communication filed on November 28, 2001, which paper has been placed of record in the file.
2. Claims 1-64 are pending in this application.

Double Patenting

3. A rejection based on double patenting of the "same invention" type finds its support in the language of 35 U.S.C. 101 which states that "whoever invents or discovers any new and useful process ... may obtain a patent therefor ..." (Emphasis added). Thus, the term "same invention," in this context, means an invention drawn to identical subject matter. See *Miller v. Eagle Mfg. Co.*, 151 U.S. 186 (1894); *In re Ockert*, 245 F.2d 467, 114 USPQ 330 (CCPA 1957); and *In re Vogel*, 422 F.2d 438, 164 USPQ 619 (CCPA 1970).

A statutory type (35 U.S.C. 101) double patenting rejection can be overcome by canceling or amending the conflicting claims so they are no longer coextensive in scope. The filing of a terminal disclaimer cannot overcome a double patenting rejection based upon 35 U.S.C. 101.

4. Claims (28-34, 36 and 56) and (47-53 and 61) are provisionally rejected under 35 U.S.C. 101 as claiming the same invention as that of claims 1-6, 9, and 10 of copending Application No. 09/813,745. This is a provisional double patenting rejection since the conflicting claims have not in fact been patented.

5. The nonstatutory double patenting rejection is based on a judicially created doctrine grounded in public policy (a policy reflected in the statute) so as to prevent the unjustified or improper timewise extension of the “right to exclude” granted by a patent and to prevent possible harassment by multiple assignees. A nonstatutory obviousness-type double patenting rejection is appropriate where the conflicting claims are not identical, but at least one examined application claim is not patentably distinct from the reference claim(s) because the examined application claim is either anticipated by, or would have been obvious over, the reference claim(s). See, e.g., *In re Berg*, 140 F.3d 1428, 46 USPQ2d 1226 (Fed. Cir. 1998); *In re Goodman*, 11 F.3d 1046, 29 USPQ2d 2010 (Fed. Cir. 1993); *In re Longi*, 759 F.2d 887, 225 USPQ 645 (Fed. Cir. 1985); *In re Van Ornum*, 686 F.2d 937, 214 USPQ 761 (CCPA 1982); *In re Vogel*, 422 F.2d 438, 164 USPQ 619 (CCPA 1970); and *In re Thorington*, 418 F.2d 528, 163 USPQ 644 (CCPA 1969).

A timely filed terminal disclaimer in compliance with 37 CFR 1.321(c) or 1.321(d) may be used to overcome an actual or provisional rejection based on a nonstatutory double patenting ground provided the conflicting application or patent either is shown to be commonly owned with this application, or claims an invention made as a result of activities undertaken within the scope of a joint research agreement.

Effective January 1, 1994, a registered attorney or agent of record may sign a terminal disclaimer. A terminal disclaimer signed by the assignee must fully comply with 37 CFR 3.73(b).

6. Claims 1-27, 35, 37-46, 54, 55, 57-60, and 62-64 are provisionally rejected on the ground of nonstatutory double patenting over claims 1-30 of copending Application No. 09/813,745. This is a provisional double patenting rejection since the conflicting claims have not yet been patented. The subject matter claimed in the instant application is fully disclosed in the referenced copending application and would be covered by any patent granted on that copending application since the referenced copending application and the instant application are claiming common subject matter, as follows: A method of providing a loan product to a borrower comprising the steps of: offering a loan to a borrower through a first institution; providing said loan to said borrower; providing money for said loan by the first institution; collaborating with a second institution for said second institution to monitor and administer said loan; obtaining said money provided for said loan from said first institution; delivering said money to said borrower; and, obtaining indemnification for said first institution of all risk for providing said money for said loan, etc...

7. Claims (7-12, 18, and 63) and (47-54 and 61) are objected to under 37 CFR 1.75 as being a substantial duplicate of claims (1-6 and 55) and (28-35 and 56), in that order. When two claims in an application are duplicates or else are so close in content that they both cover the same thing, despite a slight difference in wording, it is proper after allowing one claim to object to the other as being a substantial duplicate of the allowed claim. See MPEP § 706.03(k).

Claim Rejections - 35 USC § 101

8. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

9. Claims 21-26, 57 and 62 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. The claims are implemented as nonfunctional descriptive material *per se*. "A contracted financial product" recited in the claims is nonfunctional descriptive material. Nonfunctional descriptive material that does not constitute a statutory process, machine, manufacture, or composition of matter and should be rejected under 35 U.S.C. 101. Certain types of descriptive material, such as music, literature, art, photographs, and mere arrangements or compilations of facts or data, without any functional interrelationship is not a process, machine, manufacture, or composition of matter. When nonfunctional descriptive material is recorded on some computer-readable medium, in a computer or on an electromagnetic carrier signal, it is not statutory since no requisite functionality is present to satisfy the practical application requirement. Merely claiming nonfunctional descriptive material, i.e., abstract ideas, stored on a computer- readable medium, in a computer, or on an electromagnetic carrier signal, does not make it statutory. See *Diehr*, 450 U.S. at 185-86, 209 USPQ at 8 (noting that the claims for an algorithm in *Benson* were unpatentable as abstract ideas because "[t]he sole practical application of the algorithm was in connection with the programming of a general purpose computer."). Such a result would exalt form over substance. In re *Sarkar*, 588 F.2d 1330, 1333, 200 USPQ 132, 137 (CCPA 1978) ("[E]ach invention must be evaluated as claimed; yet semantogenic considerations

preclude a determination based solely on words appearing in the claims. In the final analysis under § 101, the claimed invention, as a whole, must be evaluated for what it is.”) (quoted with approval in *Abele*, 684 F.2d at 907, 214 USPQ at 687). See also *In re Johnson*, 589 F.2d 1070, 1077, 200 USPQ 199, 206 (CCPA 1978) (“form of the claim is often an exercise in drafting”). Thus, nonstatutory music is not a computer component, and it does not become statutory by merely recording it on a compact disk. Protection for this type of work is provided under the copyright law.

Claim Rejections - 35 USC § 103

10. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

11. Claims 1-64 are rejected under 35 U.S.C. 103(a) as being unpatentable over Levine et al. (hereinafter Levine), U.S. Patent No. 6,233,566, in view of Abrahams et al. (hereinafter Abrahams), U.S. Patent No. 7,028,007.

Regarding to claim 1, Levine discloses a method of providing a Financial Product to a customer comprising the steps of:

offering a Financial Product to a borrower a first institution (column 8, lines 37-40; Mortgage Bank Correspondent (Banks or other lenders) market and originate loans directly to consumers);

providing said Financial Product to said customer (column 2, lines 13-60; lenders provide loans to borrowers);

providing money for said Financial Product (column 3, lines 20-28; issuing a check and forward it to the borrower);

collaborating with a second institution for said second institution to service said Financial Product (column 8, lines 40-44 and column 5, lines 5-35; Servicing Company monitor and collect monthly payments from the borrower);

obtaining said money provided for said Financial Product from said first institution (column 3, lines 20-28; issuing a check and forward it to the borrower, i.e. borrower obtains money from lender).

Levine does not disclose obtaining indemnification for said Intermediary company against all risk for providing money for said Financial Product, wherein said indemnification at least in part is in the form of a performance bond. However, Abraham discloses obtaining indemnification for said Intermediary company against all risk associated with providing money for said contracted Financial Product, wherein said indemnification at least in part is in the form of a performance bond (column 9, lines 40-65). Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to modify Levine's to adopt the teaching of Abrahams above for the purpose of providing more efficiency in monitoring the loans in order to reduce the risk for lenders.

Art Unit: 3692

Regarding to claim 2, Levine discloses providing said Financial Product in the name of the first institution (column 1, line 40-67; borrower obtains loan in the name of the lender).

Regarding to claims 3-4, Levine does not disclose wherein said indemnification is obtained from said second institution and backed-up by an insurance company and wherein said insurance company provides said performance bond. However, Abrahams discloses wherein said indemnification is obtained from said second institution and backed-up by an insurance company and wherein said insurance company provides said performance bond (column 3, lines 25-40, mortgage insurer). Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to modify Levine's to adopt the teaching of Abrahams above for the purpose of providing more efficiency in monitoring the loans in order to reduce the risk for lenders.

Regarding to claim 5, Levine discloses wherein said first institution is a bank (column 8, lines 37-40; Mortgage Bank Correspondent).

Regarding to claim 6, Levine discloses wherein said second institution is a finance company (column 8, lines 41-44; Servicing Company).

Claims 7-12 contain similar limitations found in claims 1-6 above, therefore, are rejected by the same rationale.

Regarding to claim 13, Levine discloses a method of distributing and monitoring a plurality of loan products marketed by an Intermediary company comprising the steps of:
offering a plurality of loan products through an Intermediary company,

Art Unit: 3692

said loan products including loans provided directly by said Intermediary company (column 8, lines 37-40; Mortgage Bank Correspondent (Banks or other lenders) market and originate loans directly to consumers), and loans not provided directly by said Intermediary company (column 14, lines 1-35; the lender post the loans for sale to mortgage bankers, the mortgage banker then resale the loans to the investors; column 8, lines 47-50; the investors then offer the loan for sale to the secondary market, thus the loan provided to borrower is no longer presently offered by the lender);

marketing said plurality of loan products to a plurality of potential borrowers (column 8, lines 37-40; Mortgage Bank Correspondent (Banks or other lenders) market and originate loans directly to consumers) ;

supplying a borrower a first loan not directly provided by said Intermediary company (column 14, lines 1-35; the lender post the loans for sale to mortgage bankers, the mortgage banker then resale the loans to the investors; column 8, lines 47-50; the investors then offer the loan for sale to the secondary market, thus the loan provided to borrower is no longer presently offered by the lender);

collaborating with a Contractor to actively monitor said loan (column 8, lines 40-44 and column 5, lines 5-35; Servicing Company monitor and collect monthly payments from the borrower);

providing money for said first loan from said Intermediary company (column 3, lines 20-28; issuing a check and forward it to the borrower); and

delivering said money to said borrower (column 3, lines 20-28; issuing a check and forward it to the borrower);

Levine does not disclose obtaining indemnification for said Intermediary company against all risk associated with providing money for said contracted Financial Product, wherein said indemnification at least in part is in the form of a performance bond. However, Abraham discloses obtaining indemnification for said Intermediary company against all risk associated with providing money for said contracted Financial Product, wherein said indemnification at least in part is in the form of a performance bond (column 9, lines 40-65). Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to modify Levine's to adopt the teaching of Abrahams above for the purpose of providing more efficiency in monitoring the loans in order to reduce the risk for lenders.

Regarding to claim 14, Levine does not disclose said Contractor providing indemnification for said Intermediary company, and an insurance company providing a guarantee of said Contractor's indemnification for said Intermediary company for providing money for said contracted Financial Product. However, Abrahams discloses said Contractor providing indemnification for said Intermediary company, and an insurance company providing a guarantee of said Contractor's indemnification for said Intermediary company for providing money for said contracted Financial Product (column 9, lines 40-65). Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to modify Levine's to adopt the teaching of Abrahams above for the purpose of providing more efficiency in monitoring the loans in order to reduce the risk for lenders.

Regarding to claim 15, Levine does not disclose said insurance company providing said performance bond. However, Abrahams disclose said insurance company providing said performance bond (column 3, lines 25-40, mortgage insurer). Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to modify Levine's to adopt the teaching of King above for the purpose of providing more efficiency in monitoring the loans in order to reduce the risk for lenders.

Regarding to claim 16, Levine discloses wherein said Intermediary company is a bank (column 8, lines 37-40; Mortgage Bank Correspondent).

Regarding to claim 17, Levine discloses wherein said Contractor is a commercial finance company (column 8, lines 41-44; Servicing Company).

Regarding to claim 18, Levine discloses trading said Financial Product (column 14, lines 1-35; the lender post the loans for sale to mortgage bankers, the mortgage banker then resale the loans to the investors).

Claims 19-20 contain similar limitations found in claims 1, 3 above, therefore, are rejected by the same rationale. However, Levine does not disclose wherein said indemnification at least in part is in the form of a put option. Abrahams discloses wherein said indemnification at least in part is in the form of a put option (column 9, lines 40-65). Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to modify Levine's to adopt the teaching of Abrahams above for the purpose of providing more efficiency in monitoring the loans in order to reduce the risk for lenders.

Claims 21-27 contain similar limitations found in claims 1-6 above, therefore, are rejected by the same rationale.

Regarding to claim 28, Levine discloses a method of providing a Financial Product to a customer comprising the steps of:

providing money for said Financial Product by a first institution (column 3, lines 20-28; issuing a check and forward it to the borrower);

offering a Financial Product to a through a second institution (column 8, lines 37-40; Mortgage Bank Correspondent (Banks or other lenders) market and originate loans directly to consumers);

servicing said Financial product by said second institution (column 8, lines 40-44 and column 5, lines 5-35; Servicing Company monitor and collect monthly payments from the borrower);

providing said Financial Product to said customer (column 2, lines 13-60; lenders provide loans to borrowers).

Levine does not disclose obtaining indemnification for said first company against all risk for providing money for said Financial Product. However, Abraham discloses obtaining indemnification for said first company against all risk for providing money for said Financial Product (column 9, lines 40-65). Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to modify Levine's to adopt the teaching of Abrahams above for the purpose of providing more efficiency in monitoring the loans in order to reduce the risk for lenders.

Regarding to claim 29, Levine discloses providing said Financial Product in the name of the first institution (column 1, line 40-67; borrower obtains loan in the name of the lender).

Regarding to claims 30-31 and 34, Levine does not disclose wherein said indemnification is obtained from said second institution and wherein said indemnification obtained for said first institution is guaranteed by a third party, wherein said third party is an insurance company. However, Abrahams discloses wherein said indemnification is obtained from said second institution and wherein said indemnification obtained for said first institution is guaranteed by a third party, wherein said third party is an insurance company (column 3, lines 25-40, mortgage insurer). Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to modify Levine's to adopt the teaching of Abrahams above for the purpose of providing more efficiency in monitoring the loans in order to reduce the risk for lenders.

Regarding to claim 32, Levine discloses wherein said first institution is a bank (column 8, lines 37-40; Mortgage Bank Correspondent).

Regarding to claim 33, Levine discloses wherein said second institution is a finance company (column 8, lines 41-44; Servicing Company).

Regarding to claim 35, Levine does not disclose wherein said insurance company provides said guaranty of said second institution's indemnification to said first institution in the form of a performance bond in favor of said first institution. However, Abrahams discloses wherein said insurance company provides said guaranty of said second institution's indemnification to said first institution in the form of a performance bond in

Art Unit: 3692

favor of said first institution (column 3, lines 25-40, mortgage insurer). Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to modify Levine's to adopt the teaching of Abrahams above for the purpose of providing more efficiency in monitoring the loans in order to reduce the risk for lenders.

Regarding to claim 36, Levine discloses wherein said loan is a high risk loan (column 1, lines 40-48, non-conforming loans).

Claims 37-45 contain similar limitations found in claims 28-36 above, therefore, are rejected by the same rationale.

Regarding to claim 46, Levine does not disclose obtaining said Financial Product in the name of a third party owned at least in part by one of said first institution and said second institution.

Claims 47-54 contain similar limitations found in claims 28-36 above, therefore, are rejected by the same rationale.

Regarding to claim 55-64, Levine discloses trading said Financial Product and wherein said contracted Financial Product is tradeable on a secondary market (column 14, lines 1-35; the lender post the loans for sale to mortgage bankers, the mortgage banker then resale the loans to the investors).

Conclusion

12. Claims 1-64 are rejected.

Art Unit: 3692

13. The prior arts made of record and not relied upon is considered pertinent to applicant's disclosure:

Kirksey (US 6,460,021) discloses a debt obligation issued to a holder by an entity which obligation is backed by a group of property owners.

Meyer et al. (US 5,907,828) disclose system and method for implementing and administering lender-owned credit life insurance policies.

14. Any inquiry concerning this communication or earlier communications from the examiner should be directed to examiner Nga B. Nguyen whose telephone number is (571) 272-6796. The examiner can normally be reached on Monday-Thursday from 9:00AM-6:00PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Kramer can be reached on (571) 272-6783.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the Group receptionist whose telephone number is (571) 272-3600.

15. Any response to this action should be mailed to:

Commissioner of Patents and Trademarks
C/o Technology Center 3600
Washington, DC 20231

Or faxed to:

(571) 273-8300 (for formal communication intended for entry),

or

Art Unit: 3692

(571) 273-0325 (for informal or draft communication, please label "PROPOSED" or "DRAFT").

Hand-delivered responses should be brought to Knox building, 501 Dulany Street, Alexandria, VA, First Floor (Receptionist).

A handwritten signature in black ink, appearing to read "Nga Nguyen".

**NGA NGUYEN
PRIMARY EXAMINER**

June 4, 2007